

## **MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 3/22/2018**

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its regular meeting Thursday, 3/22/2018 at the Beaufort-Jasper Water & Sewer Authority Administration Building. This meeting met the notice requirements of, and was properly constituted pursuant to, Chapter 4, Title 30 of the Code of Laws for South Carolina, 1976, as amended, commonly known as the “Freedom of Information Act”.

### **ATTENDANCE**

*Members of the Authority in attendance:* Chair Donna Altman, Vice-Chair Michael Bell, Secretary/Treasurer Don Manson, Jimmy Baker, Lorraine Bond, Brandy Gray (telephonic), David Lott, Greg Padgett, Thayer Rivers, Jerry Schulze, Dr. Bill Singleton.

*Members of the Authority not in attendance:*

*Staff in attendance:* Ed Saxon, General Manager; Sarah Linkimer, DGM, F&A; Jeff Boss, DGM of O&TS; Will Bettis, Director of Business Services; Brian Chemsak, Director of Engineering; Kenneth Frazier, Director of Information Technology; Allena Lee-Brown, Director of Human Resources; Al Legare, Director of Tech Maintenance & SCADA; Pamela Flasch, Communications Manager; Justin Thomas, NOB Field Operation Mgr.; Linda Tillery, Customer Care Manager; Beth Lowther, Accounting Supervisor; Libby Breland, Executive Assistant/Clerk to the Board.

*Legal Counsel in attendance:* Erin Dean, Esq., Tupper, Grimsley, Dean, & Canaday, PA.

*Beaufort County Liaison to BJWSA:* Not in attendance.

*Public in attendance:* Frank Turano, Regional Manager, Alliance Consulting Engineers.

### **CALL TO ORDER**

The meeting convened at 8:00 a.m., Chair Donna Altman presiding.

### **TELEPHONIC STATEMENT**

“I Donna Altman, announce that a quorum for this Meeting is physically present and BRANDY GRAY IS ATTENDING THIS MEETING TELEPHONICALLY.”

### **INVOCATION AND PLEDGE OF ALLEGIANCE**

Greg Padgett gave the invocation and all joined in the Pledge of Allegiance to the flag of the United States.

### **BOARD CHAIR GENERAL COMMENTS**

Chair Donna Altman congratulated Ed Saxon on his receipt of the W.T. Linton award at the 2018 SCEC. Mike Bell recognized Ed for his National Public Radio interview on the *South Carolina Business Review* program. Ed talked about the establishment of the **Savannah River Clean**

**Water Fund** and how the bi-state stakeholders acquire conservation easements that will help protect the water quality in the lower Savannah Basin watershed which benefiting both the land owner and utilities. Chairman Altman praised Ed on his collaborative involvement and how this effort is gaining national recognition as well.

### **APPROVAL OF MINUTES**

**Motion:** Moved by Lorraine Bond, seconded by Dr. Bill Singleton, to approve the minutes of the 2/22/2018 regular board meeting as written and distributed in advance to the Members of the Authority. No corrections were noted,  
*All voted in favor, none opposed,*

**Motion passed unanimously.**

### **PUBLIC COMMENT**

The public was introduced and welcomed. There was no public comment at this time.

### **GENERAL MANAGERS REPORT**

*Ed Saxon submitted the following report:*

1. Safety Report - Tomorrow, 3/23, BJWSA will have gone 3 years without a lost workday case and have accumulated almost 950,000 safe work hours. We held a very successful Safety & Wellness Festival on March 9 at the Community Bowling Center in Beaufort and had ~150 employees attend. Thanks to the Board members who attended.
2. Savannah River Basin - The upper basin had a wet February and levels in Hartwell and Thurmond have increased ~5 feet and are ~10 feet higher than March 2017 levels. Both lakes are now operating near the normal guide curve. The US weather service continues to predict higher than normal temps and lower than normal rainfall for the next 90 days. The lakes are in great shape as we approach our high demand season.
3. FY18-FY21 Strategic Plan - The Board workshop is set for Thursday April 5<sup>th</sup> from 10-2. Sandra Ralston will facilitate the session and members of the Strategic Planning Committee will attend as well. The Core Group will join us for lunch. The major objective of the workshop is to get Board input and buy-in. Staff looks forward to the meeting.
4. SCEC - BJWSA had a very successful South Carolina Environmental Conference (SCEC) in Myrtle Beach. Brian and Sarah gave presentations and I participated in a panel discussion on utility consolidation. Even though our Hydrant Hysteria and Pipe Tapping Teams did not win, they competed fiercely. Our Water Treatment plants were recognized for their Directors Ph III and Presidents Partnership Awards and our 8 Water Reclamation Plants received the SCDHEC Facility Excellence in Award. Earl Sheppard received the WEASC **Hatfield Award** for his outstanding wastewater operations performance and professionalism. I received the WEASC W.T. Linton Award.
5. FY18 GM Goals Update - I'm about a month late in getting this update out. I sent it to the Board on March 6 for your review & comment and will highlight a few areas today. The FY19 goals will be fashioned around the FY19-21 Strategic Plan themes.

6. Solar Project Start-up Event - The solar projects at PRIWRF (725 KWH) and St Helena WRF (254 KWH) are complete and online. We are having a Solar Array Ribbon Cutting event on April 4<sup>th</sup> at 2PM at the PRIWF Site. We have invited our Congressional and SC Legislative delegation members along with officials from Beaufort County, the Town of Port Royal and SCE&G. Pam and Lou are handling all the arrangements.
  
7. Savannah River Site Citizens Advisory Board – The purpose of the Savannah River Site (SRS) Citizens Advisory Board (CAB) is to provide independent advice and recommendations to the U. S. Department of Energy’s (DOE) Assistant Secretary for Environmental Management (EM) or the Manager at the Savannah River Operations Office. The SRS CAB draws on diverse community viewpoints to provide its information, advice, and recommendations, with a goal of directly involving stakeholders in EM planning and decision-making processes on the SRS cleanup. Earl Sheppard served on the Board for 6 years and his term just expired. Brian Chemsak has just joined the SRSCAB and has started his initial 3 year term.
  
8. Sarah Linkimer - I’m excited and proud to announce that Sarah has just passed the CPA Exam and has applied for her CPA designation with the SC LLR. Congratulations Sarah.
  - **Public Affairs Report.** Pamela Flasch highlighted recent and upcoming initiatives taking place throughout the service area:
    1. BJWSA Employee Events: 1). Please see the back of your event card for a little background on Printology, the company that's designing our archive room, to be housed in the Chelsea lobby area. The exhibit will combine history with an education on how BJWSA has met the challenges of providing water and wastewater services over the last half century. 2). Please save this date - *Saturday, April 28* for Employee Fun Day, from 10am-2pm at the Sergeant Jasper Park. *Event Cards were distributed.*
    2. BJWSA Website Homepage: Our new website homepage will be live soon. Our webmaster is currently adapting the site for mobile use.
    3. FY18-21 Strategic Focus Plan: We are working on collateral for the new *Strategic Plan*, as well as developing our parts of the plan.
    4. Customer Focus Group: Our bi-annual customer focus group is May 19 on site, with USC-B's Lowcountry & Resort Islands Tourism Institute handling the project.
  
  - **Boil Water Event.** Jeff Boss discussed the brief power failure at the Chelsea WTP that occurred on March 17. The outage disabled the high service pumps. The SCADA alarms malfunctioned and pressures on the NOB transmission main decreased for a short time bellow 20 PSI. Once the operator discovered that the pumps had tripped, they were immediately restarted and pressures returned to normal. A precautionary boil water advisory for the area of Lemon Island (~ 20 customers) was issued and it was lifted on March 18.

## COMMITTEE REPORTS

**Report of the Executive Committee.** Committee Chair Donna Altman stated that the Executive Committee did not meet therefore had no report at this time.

**Report of the Capital Projects Committee.** Committee Chair Michael Bell reported that the Capital Projects Committee met on 3/14/2018 and reviewed the status of the Capital Program and Development Activity. A summary of noteworthy projects was included in the Board Packet. Some projects of note:

1. CIP Project Activity Sheet Review & Discussion: the construction is ongoing for the new *SOB Operations Center*, the slab is poured and structural steel is onsite. The gravity sewer extension for the *Jason Street Sewer Extension* is physically complete; additional extension to serve 5 properties on May River road is in design.
2. Military Projects Report for February FY18: 1 remaining project, MCAS/Laurel Bay Bolden Elementary Middle School. The majority of the work has been completed; the remaining is waiting on the government to demolish the existing school.
3. FY18 Third Quarter Capacity Fee Collections: \$2.2M YTD Capacity Revenue; ~49,000 gals. Water and ~34,000 gals. Sewer for February.
4. Developer Projects Activity Report: 10 new projects were reviewed, 332 REUs; 126,560 Water GPDs and 83,740 WW GPDs.
5. Feb-18 Water and Sewer Taps: 54 NOB water taps; 155 SOB water taps; 22 NOB sewer taps and 98 SOB sewer taps.
6. Contract Award: CIP 1756 Waddell Gardens Water Line replacement will be brought forward under New Business. This is another galvanized waterline replacement project.
7. Purchasing Policy: the Committee received a draft last month and a final will be brought under New Business today for approval.
8. Committee Charter: Was reviewed with no changes, approval next month.

*A copy of the CIP Update Memorandum from Brian Chemsak dated 3/8/2018 was included in the Board Packet and is attached to these minutes and is made a part hereof.*

**Report of the Finance Committee.** Committee Don Manson, Chair reported that the Finance Committee met on 3/15/2018 and submitted the following report:

- 1) 2/28/2018 Interims: February was another great month for revenue. Total operating revenues are \$2.4 million over budget, while total operating expenses (including depreciation) are \$567 thousand over budget. Operating cash and ratios are healthy and within our limits and policies.

- 2) Call Center Metrics: The Committee reviewed the call center metrics. The Average call wait time was 0.56 minutes and the abandonment rate was 3.30% in February. The daily reports continue to reflect the positive impact of adding support team members to the customer service department.
- 3) Finance Committee Charter: The committee received an updated version of the Finance Committee Charter for their review and will be approved next month.
- 4) Purchasing Policy: The committee discussed and reviewed the updated Purchasing Policy that will be presented for approval in New Business today.

*A copy of the financial report dated 2/28/2018, was included in the Board packet and is attached to these minutes and is made a part hereof.*

***Report of the Personnel Committee.*** Committee Chair Jimmy Baker reported that the Personnel Committee met on 3/13/2018 and submitted the following report:

1. Safety Report: was received and discussed.
2. Personnel Actions Report: 2 Separations in February; overall turnover YTD rate is 6.74%.
3. Personnel Committee Charter: is being reviewed; any recommended changes will be addressed at the April Personnel Committee Meeting.
4. Board Leadership Award: Committee Chair Jimmy Baker presented the timeline and stated that an Award does not necessarily have to be presented each year, but if the Board does have nominations for this year, to submit their recommendations to HR.
5. GM Performance Management and Compensation Process: will not use a compensation consultant this year, a new Performance Evaluation Form, which is simpler, easier to use, will be used this year; our General Counsel, Erin Dean will tabulate the results.
6. FY18 Compensation Study: Pontifex, Compensation Consultants, confirmed that BJWSA salary grades/ranges are competitive; recommended salary grades/ranges will increase 2% for FY19, some of their suggestions were accepted but not all, minor adjustments will total 3-4.
7. GM Search: The Personnel Committee and the Board Chair will serve as the Selection Committee; the Personnel Committee Chair, Jimmy Baker, will be the primary contact for *Cabot Consultants*, the Search Firm; The agreement with Cabot has been signed; Cabot will be the contact for internal candidates; Board Members are welcome to attend initial interviews but should advise their intent in advance. In the event of a quorum, the meeting must be “noticed to the public”. The initial interviews will not be open to the public as they are personnel related and will be held during Executive Session.

***Members asked to be notified in advance of the interviews so that they can plan their schedules accordingly if they choose to attend.***

**Report of the Information Technology Plan Ad Hoc.** Jerry Schulze, Committee Chair, reported that the Committee met on 3/15/18 and reviewed the status of several projects and gave the following report:

1. IT Initiatives Update: Office365 Deployment is expected to be migrated by 4/30/2018 • the IT Policies and Procedures Handbook expected completion next month • CIS Platform, scheduler and launcher migration completed on 2/22/2018 • GIS is 70% through their mapping, ~4500 project boundaries in Project Tracker and more than halfway through project asbuilt conversions, to date, 103 asbuilts completed (79%). The next IT Technology Ad hoc meeting is scheduled for April 18.

## **OLD BUSINESS**

There was no old business.

## **NEW BUSINESS**

### Capital Improvement Program

#### *Contract Award(s)*

CIP-21756 Waddell Gardens Water Line Replacement Contract Award to Potter Construction for \$283,443.97 as presented and referenced in the memorandum from Brian Chemsak dated 12/13/2017 and is attached to these minutes and is made a part hereof:

**Motion:** Recommendation for approval of CIP 21756 Waddell Gardens Water Line Replacement Contract Award to Potter Construction for \$283,443.97 came from the Capital Projects Committee, *requiring no second,*

*All voted in favor, none opposed,*

**Motion passed unanimously.**

#### Resolution ~ Approval of the Updates to the Procurement Procedures for the BJWSA

Approval of the updates to the Procurement Procedures for the BJWSA as presented and referenced and is attached to these minutes and is made a part hereof:

**Motion:** Lorraine Bond moved, seconded by Jimmy Baker, approving the Resolution for the updates to the BJWSA Procurement Procedures.

**Discussion:** Michael Bell expressed his concern of the bifurcation of contracts as a way of circumventing the purchasing policy. Sarah Linkimer reassured Michael Bell that the Auditors check these procedures during their auditing process. She also stated the concern would be included on next month's Finance Committee agenda for the committee to review additional procedures to be put in place to alleviate the concerns.

*All voted in favor, none opposed,*

**Motion passed unanimously.**

## **PUBLIC COMMENT**

There was no public comment.

(8:55 a.m.)

**EXECUTIVE SESSION**

**Motion:** Dr. Bill Singleton moved, seconded by Lorraine Bond, to go into executive session for the purpose of discussing litigation matters regarding: Denise Jones, O’Quinn, Michael Boltin, Edge and Rondelle Warren pursuant to SC Code Ann. Section 30-4-70(a) (2),

*All voted in favor, none opposed,*

**Motion passed unanimously.**

*Chair Donna Altman, excused all persons from the meeting. Legal counsel, GM; DGM O&TS; DGM F&A remained for executive session for the legal briefing.*

(9:04 a.m.)

**RECONVENE**

**Motion:** Vice-Chair Michael Bell moved, seconded by Dr. Bill Singleton, to reconvene regular session,

*All voted in favor, none opposed,*

**Motion passed unanimously.**

**TELEPHONIC STATEMENT**

“I Donna Altman, the Presiding Officer of this Meeting have previously stated that BRANDY GRAY WAS ATTENDING THIS MEETING TELEPHONICALLY. This meeting is in full compliance with the criteria for the attendance of this Meeting telephonically as set forth in Article II Section 11 of the Bylaws.”

**ADJOURNMENT**

With no further business to come before the Board, Brandy Gray moved, seconded by Jimmy Baker, to adjourn the meeting at 9:05 a.m.,

*All voted in favor, none opposed,*

**Motion passed unanimously.**

APPROVED: 4/26/2018

*Respectfully submitted,*

*Libby Breland, Clerk to Board*

Signatures and Attachments on file.